

Message Text

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PAGE 01 MONTEV 00328 261642Z POSS DUPE
ACTION EB-08

INFO OCT-01 ARA-10 ISO-00 AGRE-00 CEA-01 CIAE-00 COME-00
DODE-00 FRB-01 H-02 INR-07 INT-05 L-03 LAB-04 NSAE-00
NSC-05 PA-02 AID-05 CIEP-02 SS-15 STR-04 ITC-01
TRSE-00 USIA-15 PRS-01 SP-02 FEAE-00 OMB-01 XMB-04
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FM AMEMBASSY MONTEVIDEO
TO SECSTATE WASHDC 3070

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E.O. 11652: N/A
TAGS: ETRD, UY
SUBJ: SHOE MANUFACTURERS REPRESENTATIVES CALL ON AMBASSADOR

REF: (A) 76 MONTEVIDEO 089, (B) MONTEVIDEO 127,
(C) MONTEVIDEO 227, (D) STATE 003125

SUMMARY: SHOE INDUSTRY OFFICIALS REEMPHASIZE DISASTROUS
EFFECT OF UNEQUAL TARIFF QUOTA ALLOCATION TO URUGUAY, AND
ANNOUNCE PLANNED LOBBYING EFFORT IN WASHINGTON. END SUMMARY.

1. THE PRESIDENT OF THE URUGUAYAN CHAMBER OF SHOE MANU-
FACTURERS, HOMERO BAGNULO, AND THE CHAMBER'S LEGAL ADVISOR,
ANTONIO MARCHESANO, CALLED ON THE EMBASSADOR JANUARY 24
TO EXPLAIN THAT INTERNATIONAL TRADE COMMISSION'S PROPOSED
IMPORT RESTRAINT PROGRAM ON SHOES WOULD ELIMINATE THE
URUGUAYAN SHOE INDUSTRY. IN THEIR VIEW, ONLY EQUAL TREAT-
MENT WITH OTHER SUPPLIERS OF THE U.S. MARKET COULD PREVENT
LOSS OF 8,000 JOBS, SINCE 95 PERCENT OF THE INDUSTRY DEPENDED
SPECIFICALLY ON THE U.S. MARKET. ALTERNATIVES COULD
NOT BE DEVELOPED OVERNIGHT. ELABORATION FOLLOWED LINES
OF EARLIER REPORTING.

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2. THE INDUSTRY REPRESENTATIVES ALSO INFORMED THE
AMBASSADOR THAT THEY WILL TRAVEL TO WASHINGTON ON
JANUARY 26 TO PRESENT THEIR CASE TO THE USG. THEIR IN-
FORMATION WAS THAT THE ITC REPORT WOULD PASS TO THE
PRESIDENT ON JANUARY 26 AFTER WHICH THERE WOULD BE A
PERIOD OF 15 DAYS IN WHICH HEARINGS WOULD BE HELD.

(THE EMBASSY COULD NOT PROVIDE INFORMATION ON THE PROCESS INVOLVED PENDING A REPLY TO EARLIER REFTELS.) DURING THAT PERIOD THE INDUSTRY REPRESENTATIVES HOPE TO HAVE THEIR CASE HEARD, AND THEY SOUGHT ADVICE ON APPROPRIATE POINTS OF CONTACT.

3. THE EMBASSADOR REPLIED THAT WASHINGTON HAD BEEN FULLY INFORMED OF THE PREJUDICIAL EFFECT ON URUGUAY OF ANY TARIFF QUOTA SYSTEM WHICH DID NOT PROVIDE FOR RELATIVELY EQUAL TREATMENT FOR NEW ENTRANTS IN THE MARKET. HE ASSURED THEM THAT THEIR CASE WOULD BE LISTENED TO IN WASHIN59,8&75, WHILE STILL WILLING TO BE OF ASSISTANCE, HE ALSO POINTED OUT THAT THE PROXIMITY OF THEIR OWN EMBIESY IN WASHINGTON TO THE U.S. OFFICES CONCERNED - AND ITS OWN DIRECT INTEREST - MADE IT THE MO3 ;-?)3 974:3 9* 54-53&6 *94 043 3,58,& 5#384 :- 3. (PRESS COMMENTS THE FOLLOWING DAY WHICH INSPIRED WHOLLY BY THE CALLERS; DID NOT REFLECT THAT ADVICE BUT RATHER EMPHASIZED POTENTIAL U.S. EMBASSY ASSISTANCE WHICH NOT PART OF AMBASSADOR'S COMMENTS TO REPS.

4. ARTHUR GREEN, U.S. INVESTOR IN THE LOCAL FIRM AMEX WHICH MARKETS MOST OF URUGUAYAN SHOE PRODUCTION, AND WHICH STIMULATED MOST OF ORIGINAL INDUSTRY DEVELZPMENT, IS ALSO REPORTEDLY WORKING THROUGH WASHINGTON LOBBYIST TO MAKE URUGUAYAN CASE FOR AT LEAST EQUAL TREATMENT UNDER ITC PROPOSAL. HE MAY BE ACCOMPANYING LOCAL INNATRY REPRESENTATIVES.

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5. EMBASSY WOULD APPRECIATE RESPONSE TO ITS EARLIER ENQUIRIES AND HAVING AS SOON AS POSSIBLE A DESCRIPTION OF THE PROCESS OF CONSULTATION ON THE SHOE ISSUE WHICH IS A BASIC GUARANTEE OF THE TRADE ACT. SIRACUSA

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Message Attributes

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Copy: SINGLE
Sent Date: 26-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
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Disposition Event:
Disposition History: n/a
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